

# WENDY'S

15-Year Sale-Leaseback

Subject Property



# OFFERING MEMORANDUM



5300 Marlton Pike, Pennsauken, NJ 08109



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5300 Marlton Pike, Pennsauken, NJ 08109

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*Subject Property*



Marcus & Millichap is pleased to present the exclusive listing for a Wendy's located at 5300 Marlton Pike, Pennsauken, New Jersey. The property consists of 2,900 square feet of building space and is situated on roughly 1.21 acres of land. The Wendy's will be subject to a 15-year absolute triple net (NNN) sale-leaseback, which will commence upon the close of escrow. The lease will be subject to 1.50% rental increases annually, which will continue through the eight, five-year tenant renewal option periods.

This Wendy's property is located at 5300 Marlton Pike in Pennsauken, New Jersey. The property is well-positioned in a dense retail, residential and office/industrial corridor. Major national tenants in the area include Walmart, Dollar General, Wawa, Burger King, Dollar Tree, McDonald's, Starbucks and Benihana. Both Bishop Eustace Prep and Camden Catholic High School are located within five minutes of the subject property. Combined, they enroll over 1,350 students. Marlton Pike experiences average daily traffic counts of 52,968 vehicles with Interstates 295, 95 and 75 providing for easy transportation access to surrounding cities such as Philadelphia, Baltimore, New York and Trenton.

The Wendy's Company is the World's Third Largest Quick-Service Hamburger Company. The Wendy's chain offers made-to-order burgers and fries as well as such alternative menu items as baked potatoes, chili, and salads. The chain is known for its square hamburgers, sea salt fries and the Frosty, a form of soft serve ice cream mixed with frozen starches. As of July 2, 2017, the Wendy's restaurant system was comprised of 6,564 restaurants, of which 331 were owned and operated by the Company. Wendy's operates in 30 countries and U.S. territories. The Briad Group®, headquartered in Livingston, NJ, is one of the fastest growing hospitality companies in the United States. Currently, Briad owns and operates 114 Wendy's Old Fashioned Hamburger restaurants, 55 TGI Friday's restaurants, 16 Zinburger Wine & Burger Bars, and is in the process of developing hotels in New York, New Jersey and Connecticut that will deliver over 1,200 rooms under the Marriott and Hilton Brands.





# Investment Highlights

## Optimal Lease Structure

- ✓ 15-Year Absolute Triple Net (NNN) Lease; Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Attractive Rental Increases of 1.50% Annually
- ✓ Tenant Renewal Options: Eight (8) Periods of Five (5) Years, Each Bringing the Potential Lease Term to 55 Years

## Compelling Location Fundamentals

- ✓ Strong Demographics in Surrounding Area | Over 439,000 Residents within a Five-Mile Radius
- ✓ Freestanding Property Featuring High Visibility and Ease of Access Along Marlton Pike
- ✓ Compelling Location Fundamentals | Bishop Eustace Prep and Camden Catholic High School | Five Minutes Away | Combined Enrollment of Over 1,350 Students
- ✓ Nationally Growing Brand; Expansion into Key Markets
- ✓ Positioned In Dense Transportation Corridor | Easy Access to Philadelphia, Baltimore, New York and Trenton

## Strong Brand, Exceptional Operator

- ✓ The Wendy's Company is the World's Third Largest Quick-Service Hamburger Company
- ✓ The Wendy's System Includes More Than 6,500 Franchise and Company Restaurants in the U.S. and 29 Other Countries and U.S. Territories World Wide.
- ✓ The Briad Group® is One of the Fastest Growing Hospitality Companies in the United States
- ✓ Briad Currently Owns and Operates 114 Wendy's Old Fashioned Hamburger Restaurants, 55 TGI Friday's Restaurant, an East Coast Concentration of Marriott and Hilton hotels, an Outdoor Lifestyle Shopping Center and 16 Zinburger Wine and Burger Bars.







# Financial Analysis

PRICE: \$3,142,857 | CAP: 5.25% | RENT: \$165,000

PROPERTY DESCRIPTION	
Property	Wendy's
Property Address	5300 Marlton Pike
City, State, ZIP	Pennsauken, NJ 08109
Building Size	2,900
Lot Size	+/- 1.21 Acres
Type of Ownership	Fee Simple
Year Opened	2002

THE OFFERING	
Purchase Price	\$3,142,857
CAP Rate	5.25%
Annual Rent	\$165,000

LEASE SUMMARY	
Property Type	Net-Leased Quick Service Restaurant
Tenant / Guarantor	Briad Wenco, LLC (100+ Units)
Original Lease Term	15 Years
Lease Commencement	Close of Escrow
Lease Expiration	15 Years From Close of Escrow
Lease Term Remaining	15 Years
Lease Type	Absolute Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	1.50% Annually
Options to Renew	Eight, Five-Year Options

RENT SCHEDULE			
Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$165,000	\$13,750	-
Year 2	\$167,475	\$13,956	1.50%
Year 3	\$169,987	\$14,166	1.50%
Year 4	\$172,537	\$14,378	1.50%
Year 5	\$175,125	\$14,594	1.50%
Year 6	\$177,752	\$14,813	1.50%
Year 7	\$180,418	\$15,035	1.50%
Year 8	\$183,124	\$15,260	1.50%
Year 9	\$185,871	\$15,489	1.50%
Year 10	\$188,659	\$15,722	1.50%
Year 11	\$191,489	\$15,957	1.50%
Year 12	\$194,362	\$16,197	1.50%
Year 13	\$197,277	\$16,440	1.50%
Year 14	\$200,236	\$16,686	1.50%
Year 15	\$203,240	\$16,937	1.50%
Option 1			
Year 16	\$206,288	\$17,191	1.50%
Year 17	\$209,383	\$17,449	1.50%
Year 18	\$212,523	\$17,710	1.50%
Year 19	\$215,711	\$17,976	1.50%
Year 20	\$218,947	\$18,246	1.50%
Option 2			
Year 21	\$222,231	\$18,519	1.50%
Year 22	\$225,565	\$18,797	1.50%
Year 23	\$228,948	\$19,079	1.50%
Year 24	\$232,382	\$19,365	1.50%
Year 25	\$235,868	\$19,656	1.50%



# Tenant Overview

Wendy's

## About Wendy's

Wendy's is an American international fast food chain restaurant founded by Dave Thomas on November 15, 1969, in Columbus, Ohio. The company moved its headquarters to Dublin, Ohio on January 29, 2006. As of 2016, Wendy's is the world's number three hamburger chain in terms of locations (behind McDonald's and Burger King), with more than 6,500 of its Wendy's Old Fashioned Hamburger eateries in the US and about 29 other countries.

The Wendy's chain offers made-to-order burgers and fries as well as such alternative menu items as baked potatoes, chili, and salads. The chain is known for its square hamburgers, sea salt fries and the Frosty, a form of soft serve ice cream mixed with frozen starches. As of July 2, 2017, the Wendy's restaurant system was comprised of 6,564 restaurants, of which 331 were owned and operated by the Company. Wendy's operates in 30 countries and U.S. territories. In fiscal year 2016, the firm had \$1.4 billion (USD) in company revenue.

## About the Tenant: Briad Wenco, LLC

Briad Wenco, LLC is a wholly owned subsidiary of The Briad Group®. The Briad Group® is a multi-unit, multi-state, owner, developer and operator of fast-food restaurants, casual dining restaurants, limited service hotels and a lifestyle shopping center. When The Briad Group's quick-service division decided to become a franchisee of Wendy's® International Inc. in 1994, it immediately netted extremely successful results. They now own and operate 114 Wendy's® restaurants, 55 TGI Friday's, and 16 Zinburger Wine & Burger Bars. All of Briad's Wendy's® are equipped with state-of-the-art technology to better serve customers, and Briad is actively committed to staff development and employee growth.





# Tenant Overview



## THE BRIAD GROUP

From Hamburger to hotels, the Briad Group is rapidly expanding to serve many hospitality needs. The Briad Group started in 1994, as a single ice cream parlor in New Jersey, but they now own and operate 114 Wendy's, 55 TGI Friday's, 16 Zinburger Wine & Burger Bars, and are currently developing hotels in New York, New Jersey, and Connecticut that will deliver 1,200 rooms under the Marriott and Hilton Brands.

### TGI Fridays

Celebrated as one of the first American casual-dining chains, TGI Fridays launched in New York City in 1965. Today, TGI Fridays has been delivering great experiences, food and beverages for almost 50 years, with over 900 locations in more than 60 countries. Friday's restaurants tout a long history of innovation, and are credited with coining 'happy hour,' inventing the Long Island Iced Tea and Loaded Potato Skins, and popularizing frozen and ice cream drinks.

### Zinburger

Energetic, modern, upbeat, fun and most importantly delicious, Zinburger offers a mouthwatering selection of gourmet burgers, salads and sides, decadent shakes and deserts, and a carefully crafted selection of wine. Zinburger made its New Jersey debut in December 2010.

### The Promenade Shops

The Briad Group opened The Promenade Shops at Clifton in 2008. It consists of multiple buildings located on 12 acres of land on Route 3 in Clifton, New Jersey. It is now 100% leased and has become an icon in the community, with 160,000 square feet of commercial space for specialty retail and restaurants.

### Hotel Division

The Briad Group is proud to be a licensed franchisee for Marriott and Hilton branded hotels. Since obtaining franchise rights, Briad has developed more than one billion in real estate, focusing on limited-service hotels, including the Courtyard, Residence Inn, Springhill Suites, Hilton Garden Inn and Homewood Suites brands. During the past decade, Briad has developed, operated and managed more than a dozen properties, and is currently undergoing explosive growth with more than 4,000 rooms expected in New York, New Jersey and Connecticut.

### Marriott

Marriott is a leading worldwide hospitality company that operates and franchises the broadest portfolio of lodging brands in the world, operating in 78 countries with more than 3,800 lodging properties. Marriott is deeply committed to service consistency, and strives to maintain the unqualified integrity of their many brands.

### Hilton Worldwide

Hilton Worldwide has over 4,000 hotels internationally. Each franchise is back by the power of Hilton's award-winning Hilton HHonors guest reward program, its worldwide reservations network, and an unwavering commitment to technology, innovation and quality.







# Surrounding Area

Property Address: 5300 Marlton Pike – Pennsauken, New Jersey

# Wendy's







# Location Overview

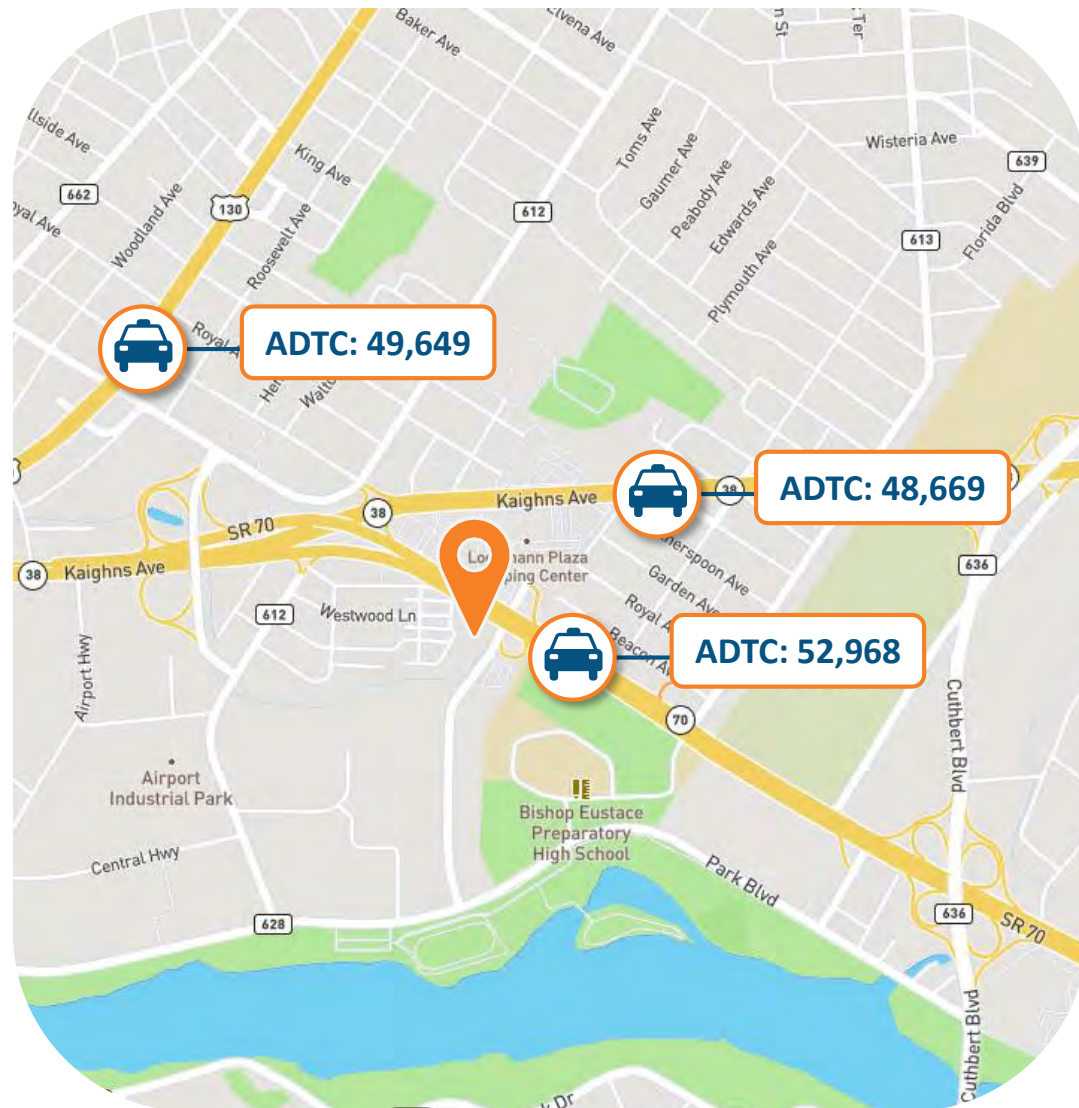
Property Address: 5300 Marlton Pike – Pennsauken, New Jersey

**Wendy's**

This Wendy's property is located at 5300 Marlton Pike in Pennsauken, New Jersey. The property is well-positioned in a dense retail, residential and office/industrial corridor. Major national tenants in the area include Walmart, Dollar General, Wawa, Burger King, Dollar Tree, McDonald's, Starbucks and Benihana. Both Bishop Eustace Prep and Camden Catholic High School are located within five minutes of the subject property. Combined, they enroll over 1,350 students. Airport Industrial Park is a large office/industrial center located just southwest of the Wendy's. It provides a steady flow of daily employees and distribution transportation through the area. Access to many highways including Interstates 295, 95 and 76 provides for easy transportation access to cities such as Philadelphia, Baltimore and New York.

This Wendy's is positioned on Marlton Pike (Route 70), which experiences average daily traffic counts of 52,968 vehicles. Nearby Kaighns Avenue brings an additional 48,669 vehicles per day to the immediate area. There are over 164,000 individuals residing within a three-mile radius of the subject property and roughly 439,000 individuals within a five-mile radius.

Pennsauken is a town in Camden County, New Jersey and a suburb of Philadelphia. The city sits in between both Philadelphia and Trenton along the Delaware River. Pennsauken is a town of 35,000 that offers many amenities that larger towns do not provide. The township has an active youth athletic association, great schools, and wonderful recreation opportunities including golf, hockey, crewing and more. Pennsauken is one of the premiere locations for business and residents alike in the Delaware Valley due to its accessibility to area bridges and highways. Pennsauken is also home to a large industrial park that includes a Pepsi bottling plant and J & J Snack Foods. The Pennsauken Public Schools serve public school students in pre-kindergarten through twelfth grade. The town is only a ten to fifteen minute drive from downtown Philadelphia.







# Property Photo

Wendy's



Subject Property





# Property Photo

Wendy's



Subject Property





# Surrounding Area Photos

Wendy's







# Regional Map

Wendy's

Property Address: 5300 Marlton Pike – Pennsauken, New Jersey



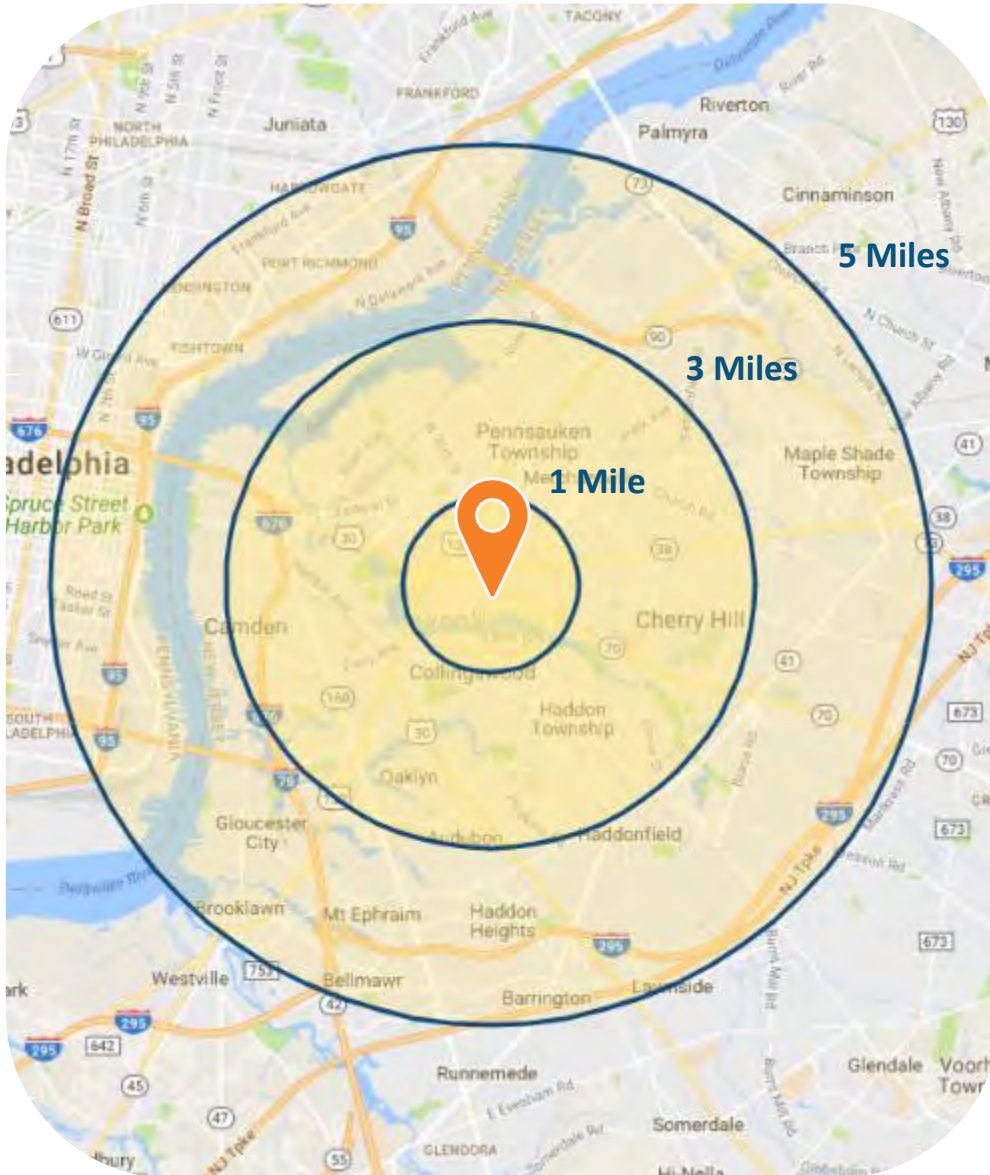




# Demographics

Property Address: 5300 Marlton Pike – Pennsauken, New Jersey

**Wendy's**



## POPULATION

	1 Mile	3 Miles	5 Miles
2022 Projection	15,689	162,703	439,925
2017 Estimate	15,594	164,772	439,328
2010 Census	15,664	164,798	432,100
2000 Census	15,488	166,376	423,909

## INCOME

	1 Mile	3 Miles	5 Miles
Average	\$76,552	\$70,608	\$79,282
Median	\$57,817	\$48,582	\$53,698
Per Capita	\$28,728	\$25,844	\$31,155

## HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2022 Projection	5,908	60,083	174,445
2017 Estimate	5,817	59,932	171,288
2010 Census	5,840	59,929	169,040
2000 Census	5,647	59,262	162,298

## HOUSING

	1 Mile	3 Miles	5 Miles
2017	\$172,035	\$177,482	\$188,305

## EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2017 Daytime Population	16,295	155,851	491,990
2017 Unemployment	5.37%	7.28%	6.15%
2017 Median Time Traveled	26	27	28

## RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	45.75%	46.40%	61.40%
Native American	0.11%	0.06%	0.05%
African American	25.54%	26.59%	16.47%
Asian/Pacific Islander	7.96%	4.92%	6.94%



# Market Overview

City: Pennsauken | County: Camden | State: New Jersey

*Pennsauken NJ*

**Pennsauken** is a town in Camden County, New Jersey and a suburb of Philadelphia. The city sits in between both Philadelphia and Trenton along the Delaware River. Pennsauken is a town of 35,000 that offers many amenities that larger towns do not provide. The township has an active youth athletic association, great schools, and wonderful recreation opportunities including golf, hockey, crewing and more. Pennsauken is one of the premiere locations for business and residents alike in the Delaware Valley due to its accessibility to area bridges and highways. Nearby Camden and Cherry Hill, New Jersey serve as the headquarters for several large companies including Pinnacle Foods, Subaru of America, TD Bank, N.A., and Campbell Soup Company. Camden is also home to a campus of Rutgers University, providing an educated workforce to the area. Pennsauken is also home to a large industrial park that includes a Pepsi bottling plant and J & J Snack Foods. The Pennsauken Public Schools serve public school students in pre-kindergarten through twelfth grade. The town is only a ten to fifteen minute drive from downtown Philadelphia.

## Major Employers

Employer	Estimated # of Employees
Government of United States	15,000
Fire Dept	14,737
On Time Staffing LLC	10,000
Protocall	5,033
Cooper Health Care	4,500
THOMAS JEFFERSON UNIVERSITY HO	4,000
COOPER UNIVERSITY HOSPITAL	3,006
Pediatric Critical Care Assoc	3,000
Fire Dept- Prevention	2,800
Fire Dept- Commissioner	2,500
Philadelphia Fire Department	2,500
Fire Department	2,346



Marcus & Millichap

**EXCLUSIVE NET LEASE OFFERING**



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